



STATE OF DELAWARE
OFFICE OF AUDITOR OF ACCOUNTS

R. THOMAS WAGNER, JR., CGFM, CFE
AUDITOR OF ACCOUNTS

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June 3, 2005

The Honorable Valerie A. Woodruff
Secretary
Department of Education
Townsend Building, Suite 2
401 Federal Street
Dover, DE 19903-1402

Mr. Charles Hughes
Principal
Thomas A. Edison Charter School
2200 North Locust Street
Wilmington, DE 19802

Dear Secretary Woodruff and Mr. Hughes:

SUBJECT: FINAL REPORT ON THOMAS A. EDISON CHARTER SCHOOL

We have completed an agreed-upon procedures attestation engagement of Thomas A. Edison Charter School (the School). The engagement included student accounting and enrollment. The purpose of the engagement was to determine the School's compliance with specific laws and to report findings as a result of procedures performed.

I trust the information contained therein will be helpful and informative.

Sincerely yours,

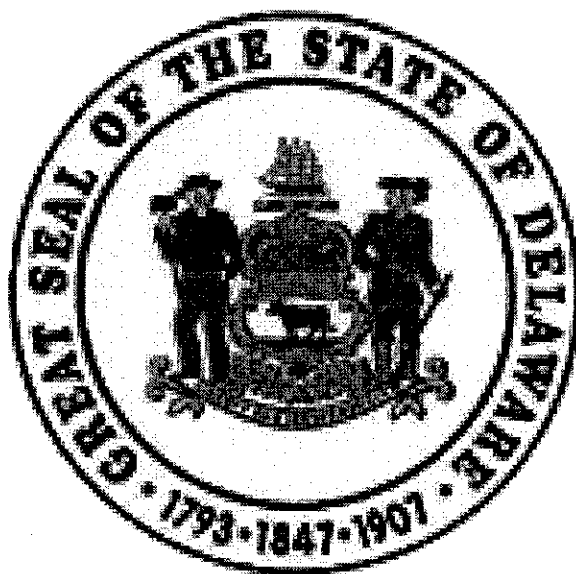
OFFICE OF AUDITOR OF ACCOUNTS

R. Thomas Wagner, Jr., CGFM, CFE
Auditor of Accounts

RTW:KVV:CLF
Enclosure

**OFFICE OF AUDITOR OF ACCOUNTS
THOMAS A. EDISON CHARTER SCHOOL
AGREED-UPON PROCEDURES
ATTESTATION ENGAGEMENT**

September 30, 2004



**R. THOMAS WAGNER, JR., CGFM, CFE
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PHONE: (302) 739-4241
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Independent Auditor's Report
on Applying Agreed-Upon Procedures

The Honorable Valerie A. Woodruff
Secretary
Department of Education
Townsend Building, Suite 2
401 Federal Street
Dover, DE 19903-1402

Mr. Charles Hughes
Principal
Thomas A. Edison Charter School
220 North Locust Street
Wilmington, DE 19802

Dear Secretary Woodruff and Mr. Hughes:

We have performed the procedures enumerated below, which were agreed to by the Department of Education (DOE) and Thomas A. Edison Charter School (the School). The procedures were performed solely to assist the specified parties in evaluating the School's compliance and the effectiveness of the School's internal control over compliance with State laws and regulations in regard to Student Accounting and Enrollment. Procedures were performed for Student Accounting and Enrollment as of September 30, 2004. Management of the School is responsible for the School's compliance with those requirements.

This agreed-upon procedures attestation engagement was performed in accordance with *Government Auditing Standards* (2003), issued by the Comptroller General of the United States and the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures were as follows:

- Evaluated the adequacy of in-house policies and procedures governing the preparation of the September 30, 2004 count.
- Inspected supporting documentation to confirm the number of eligible students versus the number reported by the School to the Department of Education (DOE) for inclusion in the September 30, 2004 student count and calculated the dollar impact of disallowed students (if applicable).

The Honorable Valerie A. Woodruff

Mr. Charles Hughes

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June 3, 2005

- Selected ten percent (or a minimum of five) "Individualized Education Program" (IEP) files at the School to verify that each file contained the required documentation in accordance with the DOE's Administrative Manual and calculated the dollar impact of disallowed students, if applicable.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with specified laws. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of DOE and the School and should not be used by those who have not agreed to the procedures and have not taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited. This report, as required by statute, was provided to the Office of the Governor, Comptroller General, Attorney General, Office of Budget, and the Department of Finance.

Sincerely yours,

~~OFFICE OF~~ AUDITOR OF ACCOUNTS

R. Thomas Wagner, Jr., CGFM, CFE
Auditor of Accounts

RTW:KVV:CLF

Engagement fieldwork completed
March 16, 2005

SCHEDULE OF FINDINGS

Procedure Agreed Upon #3

Selected ten percent or a minimum of five "Individualized Education Program" (IEP) files at the School to verify that each file contained the required documentation in accordance with the DOE's Administrative Manual and calculated the dollar impact of disallowed students (if applicable).

Finding

Title 14 Delaware Administrative Code §701 states, "students shall be reported for the level of special education service as defined by the current IEP."

Based on our review of selected files, the School incorrectly reported the disability category for one student. The student should have been reported as a part-time PI student; the school reported the student as part-time EMD. The incorrect reporting did not affect the number of units earned.

Recommendation

Thomas A. Edison Charter School review and update records for the correct disability category. Thomas A. Edison Charter School report special education services based on the level of special education service as defined by the current IEP.

Auditee Response

We agree with the recommendations and believe by attending to our current procedures we can insure that no further identification issues will result.

DOLLAR IMPACT/SAVINGS

There was no dollar impact/savings identified as a result of applying the specified agreed upon procedures.

DISTRIBUTION OF REPORT

Copies of the School's Agreed-upon Procedures Attestation Engagement have been distributed to the following public officials:

Executive Branch

The Honorable Ruth Ann Minner, Governor, State of Delaware
The Honorable Jennifer Davis, Budget Director, Office of the Budget

Legislative Branch

The Honorable Russell T. Larson, Controller General, Office of Controller General

Other Elective Offices

The Honorable M. Jane Brady, Attorney General, Office of the Attorney General

Other

Dr. Joseph A. Pika, President, State Board of Education
Ms. Dorcell S. Spence, Associate Secretary of Education, Finance and Administrative Services Branch, Department of Education
Mr. Jerry Gallagher, Director, Financial Management, Department of Education
Ms. Becki Surguy, Accountant V, Department of Finance
Ms. Nikki K. Castle, President, Board of Education, Thomas A. Edison Charter School

This report is also available at no charge on the Office of Auditor of Accounts website at www.state.de.us/auditor/index.htm or by requesting a copy in writing to:

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